

AGENDA



Thursday, July 26, 2007

**Austin Energy
RECOMMENDATION FOR COUNCIL ACTION****Item No. 2**

Subject: Approve issuance of a rebate in the amount of \$200,000 to ADVANCED MICRO DEVICES for the installation of six high efficiency chillers and cooling towers, variable frequency drives and lighting at its facility located at 7171 Southwest Parkway.

Amount and Source of Funding: Funding is available in the Fiscal Year 2006-2007 Operating Budget of the Conservation Rebates and Incentive Budget of Austin Energy.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Fred Yebra, P.E., Director, Demand-Side Management / 482-5305; Jerrel Gustafson, Process Manager / 482-5387.

Boards and Commission Action: Recommended by the Resource Management Commission and the Electric Utility Commission.

Austin Energy requests authorization to issue a rebate in the amount of \$200,000 for the installation of six 800-ton high efficiency chillers and cooling towers, variable frequency drives and lighting in accordance with the City of Austin's Commercial Rebate Program guidelines. The chillers and auxiliary equipment is required to provide cooling to the newly constructed Advance Micro Devices office complex located in southwest Austin. The program is one element of Austin Energy's comprehensive Energy Resource Plan approved in December 2003 by the Austin City Council.

Advanced Micro Devices is located at 7171 Southwest Parkway. The demand kW savings associated with this project is estimated at 965 kW at a program cost of \$207.00 per kW. The high efficiency chillers and lighting installed as part of this new construction project are estimated to provide yearly energy kWh savings of 1,934,787 kWh.

The City will not exceed the rebate offer of \$200,000 should the final installed measures be eligible for a higher rebate at the time of the final inspection due to changes in quantity or efficiency of equipment.